

Association of Distribution System Operators (electricity) of Ukraine



The main players of electricity market of Ukraine

Generation:

nuclear (total capacity
13,8 GW)

coal (total capacity
28,9 GW)

hydro (total capacity
5,9 GW)

renewable (total
capacity 1,5 GW)

Operator of electricity market

(SC «Energymarket»)

Customers:

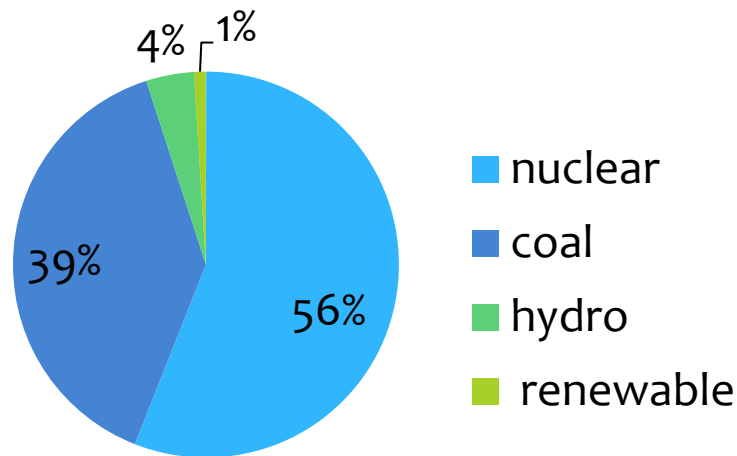
household - 16,6 mln
non-household- 512000

Transmission system operator

(SC «Ukrenergy»)

Distribution system operators(44)

Electricity production of Ukraine in 2015



nuclear – 88 billions kWh

coal – 61 billions kWh

hydro – 6,4 billions kWh

renewable – 1,7 billions kWh

Basic energy indicators of Ukraine in 2015

| | | |
|--|---|-------------------------|
| electricity production | – | 157 billions kWh |
| electricity exports (countries: Belarus, Hungary, Moldova, Poland, Romania, Slovakia) | – | 3,6 billions kWh |
| electricity consumption | – | 151 billions kWh |
| electricity transport on the transmission system | – | 121 billions kWh |
| electricity network losses | – | 13% |

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Association DSO(E) – Ukraine members are 13 companies:

Chernihivregionenergy

Chernovtsyregionenergy

Central energy company

DTEC Dniproregionenergy

Hersonregionenergy

Kyivregionenergy

Kirovogradregionenergy

Luganskregionenergy

Odessaregionenergy

Rivneregionenergy

Sumyregionenergy

Vinnitsaregionenergy

Zhitomirregionenergy

Key performance indicators of DSO (E) - companies

| | | |
|---|---|------------------------|
| Total distribution electricity power | – | 37 billions kWh |
| Total number of customers connected | – | 7 millions |
| Total length of distribution network | – | 400 000 km |
| Number of transformers | – | 79 000 |
| Area of distribution activity | – | 300 000 sq.km |
| Number of employees | – | 40 000 |

Problem issues in the work of distribution companies

- * The high degree of deterioration of main equipment (networks, transformers, etc.) – up to 60%
- * High level of electricity losses in networks – up to 20%
- * A large amount of unused capacity of the whole connected contractual capacity – up to 80%
- * Inefficient tariff regulation system «cost plus»
- * Inadequate financing of companies – insufficiently and on a residual basis (the rate of companies in the tariff is 6 – 8%)
- * Lack of investment in modernization of distribution system

Ways of solving problematic issues

- * A gradual transfer of distribution networks from a three-tier system (110-35-10 kV) in a two-tier system (110-20 kV)
- * Implementation of the subscription payment for the use of connected capacity
- * Shifting of distribution companies to the RAB-regulation system
- * Changeover to the use of electrical heating (instead of natural gas) in the heating sector
- * Development of a new Energy Strategy up to 2035 with orientation on attraction and protection of investments



Thank you for attention!